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24 May 1963

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CENTRAL INTELLIGENCE BULLETIN



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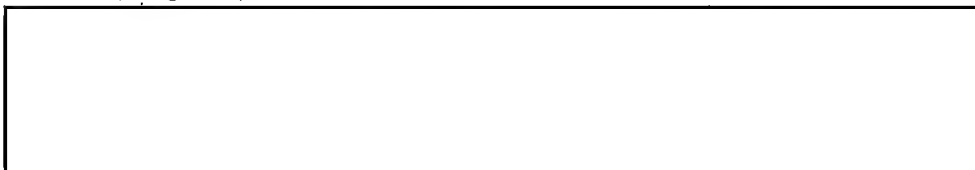
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***USSR-Cuba:** Khrushchev's speech at the Soviet-Cuban "friendship rally" in Moscow yesterday suggests that the USSR intends to continue its present cautious line of easing tensions in the Caribbean and avoiding provocations to the US.

Although Khrushchev warned that US moves to aggravate the situation "might" create a crisis more dangerous than the October missile crisis, his reaffirmation of the USSR's pledge to come to Cuba's assistance was less explicit than some of his previous pronouncements. There was no hint of a formal Soviet-Cuban defense pact.

The speech provided no indications of Soviet intentions regarding further withdrawals of military personnel, transfer of Soviet-controlled military equipment to the Cubans, or new economic commitments. Khrushchev also avoided references to such potentially dangerous issues as US overflights and the status of the Guantanamo base.

The thrust of Khrushchev's remarks on Cuban internal affairs was that the Castro regime should concentrate on consolidation and economic development rather than foreign revolutionary adventures. He ridiculed "imperialist" charges that Latin American revolutionary movements are directed by "some mythical hand of Moscow."

The speech reflected the importance the Soviet leaders attached to Castro's visit as a symbol of Cuban support of the Soviet position on Communist strategy prior to the confrontation with the Chinese Communists in bilateral talks in July. Khrushchev adopted the posture of a militant Bolshevik, stressed his

devotion to Communist unity, and strongly implied that Castro had endorsed Moscow's views. He hailed the visit as a "contribution" to strengthening the cohesion of the world Communist movement.

Although Khrushchev pledged that the Soviet party would do its "utmost" in talks with the Chinese to remove differences in the "interpretation of certain questions," the emptiness of this pledge was evident in his uncompromising restatement of Soviet positions and the customary indirect attack on those of the Chinese.

Castro's response, as broadcast by Moscow, appeared intended to indicate that he and the Soviet leaders had reached agreement on major policy questions and that the frictions produced by the missile crisis have been overcome. In contrast to his earlier criticisms of Khrushchev's behavior, Castro praised the "timely and energetic" actions of the USSR which, he said, demonstrated Soviet readiness to risk everything to protect Cuba. He also expressed gratitude to Khrushchev personally for "tirelessly forging" Soviet-Cuban friendship and for the USSR's "decisive and invaluable" assistance.

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USSR-Berlin: (Moscow has protested Adenauer's plans to accompany President Kennedy during his visit to West Berlin.)

(In an oral protest delivered 22 May to Ambassador Kohler, Deputy Foreign Minister Zorin asked whether the US has approved Adenauer's "openly provocative" intentions. In the protest and in the subsequent discussion, Zorin stressed that Moscow considers Adenauer's plans are aimed at creating difficulties for the bilateral US-Soviet talks on Berlin and Germany.)

(Zorin did not say, however, that continuation of the talks depended on cancellation of Adenauer's plans. His protest may be the first in a series of divisive tactics aimed at exploiting West German resentment over the negative attitude of the US, UK, and France toward convening the Bundestag in West Berlin last month.)

(Zorin also reiterated Moscow's standard point that West Berlin is not part of West Germany. Moscow and East Berlin regularly attack visits to West Berlin by Bonn government leaders, claiming that Bonn has no legal jurisdiction over West Berlin.)

(Soviet propaganda has to date devoted little attention to the President's forthcoming visit.)

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Indonesia: (Far-reaching domestic consequences would follow from steps which the two large American oil companies operating in Indonesia are considering if negotiations with the Sukarno government fail.)

(Ambassador Jones believes that rioting and looting would be the most immediate danger at the companies' installations if Caltex and Stanvac evacuate dependents of American employees. Labor unions, possibly acting at Communist orders, might try to take control of the installations, as they did Dutch properties in the fall of 1957.)

(The companies have threatened to halt operations if no agreement has been reached by 15 June. Within a matter of days after the distribution of oil stops, according to the ambassador, Indonesia's transportation system would come to a halt, creating food scarcity in many areas. The absence of kerosene supplies would strike the general public hardest, since kerosene is the major fuel for cooking and lighting. Tension and unrest already evident in Indonesia's cities would intensify.)

(While the government might put on a show of reasonableness to get things moving again, the Indonesians would at once seek alternatives to reduce their dependence on the American companies. Such alternatives would almost certainly include an invitation to Soviet bloc technicians to come in and run the oil properties.)

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Brazil: (Some violence between the extreme leftists and their opponents may occur shortly.)

(Increasing agitation centers around government-sponsored demands for action on agrarian reform. The Communist-dominated General Workers' Command is reportedly sponsoring a 24-hour general strike, probably to emphasize the demand for reform. Leftist federal deputy Leonel Brizola, Goulart's brother-in-law, appears to be stepping up his efforts to foment unrest by inflammatory speeches calling for quick action.)

(President Goulart's opponents, on the other hand, believe that the agrarian reform agitation is primarily designed to bring about a modification of the constitutional amendment procedure. They suspect that Goulart seeks such a modification in order to permit his perpetuation in office. They are probably also concerned over the apparent imminence of cabinet changes which could result in the removal of the anti-Communist war minister.)

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NOTES

South Vietnam: (The current of unrest among Buddhist elements still appears to be running strongly, but President Diem has indicated that he plans little further action to meet Buddhist demands for better treatment from the government. Diem made it clear during a recent talk with the US ambassador that he believes terrorists rather than security forces were responsible for deaths among a Buddhist crowd in Hué two weeks ago and that the source of the agitation is a small group of self-seeking Buddhist leaders.)

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DAILY BRIEF

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